

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO**

In re:

U.S. GLOVE, INC.,
a New Mexico corporation

Case No.
Chapter 11 Proceedings

Debtor.

DECLARATION OF RANDOLPH CHALKER

I, RANDOLPH CHALKER, declare that the following statements are true and correct to the best of my knowledge, information, and belief:

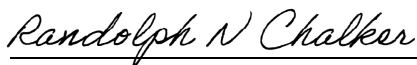
1. I am a shareholder and acting Chief Operating Officer of U.S. Glove, Inc., (the “Debtor”) and am an authorized representative for the Debtor in these proceedings.

2. Pursuant to 11 U.S.C. § 1116, filed concurrently with this Declaration are true and correct copies of the following documents:

- (a) The Debtor’s latest available Balance Sheet;
- (b) The Debtor’s latest available Cash Flow Statement;
- (c) The Debtor’s Statement of Operations;
- (d) The Debtor’s 2019 Federal Income Tax Return (which, will be filed under seal or otherwise provided to the U.S. Trustee in this case).

Dated: February 14, 2021.

U.S. Glove, Inc.



Randolph Chalker
Its: Authorized Representative

The following statement is a year end balance sheet PRE any CPA adjustments. This is a best esimate of the balance sheet at year end.

	12/31/2020
Assets	
Cash (BOA Operating)	\$86,324
Accounts Rec.	\$185,552
FF&E	\$9,875
RM	\$5,435
Finished Goods	\$18,500
Intellectual Property	\$2,000
Total Assets	\$307,686
Liabilities	
Accounts Payable (Amex)	\$5,645
Est Misc. Accounts Payable	\$15,000
Law Tanning	\$6,859
Hide House	\$7,000
Accrued Interest Snr @ 14%	\$116,176
Accrued Interest Jr @ 5.3%	\$77,292
EIDL Note	\$150,000
PPP One	\$52,250
Mike Jacobs Snr Note @ 14%	\$2,140,000
Mike Jacobs Jr. Note @ 5.3%	\$1,243,000
Total Liabilities	\$3,813,222
Implied Equity	(\$3,505,536)

U. S. Glove, Inc.
Profit and Loss
January - December 2020

	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Total
Income													
4820 Sales of product income	128,641.87	118,552.22	70,546.61	14,746.78	48,068.62	127,617.06	157,045.91	127,450.12	102,093.03	128,129.78	96,714.69	71,283.87	1,190,890.56
4850 Discounts/refunds given	-458.95	-583.83	-232.95	-617.99	-165.05	-256.00	-1,009.00	-449.26	-1,073.89	-1,897.00	-1,076.00	-2,717.75	-10,725.67
Total Income	\$ 128,184.92	\$ 117,968.39	\$ 70,313.66	\$ 14,128.79	\$ 47,903.57	\$ 127,361.06	\$ 156,036.91	\$ 126,000.86	\$ 101,019.14	\$ 126,242.78	\$ 95,638.69	\$ 68,566.12	\$ 1,180,164.89
Cost of Goods Sold													
5000 COGS - leather	14,880.99	5,524.96	3,013.79	7,031.78	4,817.04		11,663.96	17,129.37	16,740.92	2,085.91	18,390.68	6,859.05	108,107.55
5010 COGS - other materials	2,054.52	4,471.12	915.00	98.41	5,659.76	192.25	484.80	4,048.95	4,223.49	6,943.69	1,169.88		30,261.87
5020 COGS - supplies	88.39	354.00			679.72	5,249.00	-417.39	1,204.00	1,413.09	513.75		-375.86	8,708.70
5030 COGS - RM	3,673.06	7,104.12	1,246.33	1,310.00	1,561.94	3,693.61	696.24	2,010.54	3,465.00	5,676.98	5,002.40	2,539.68	38,039.90
5040 COGS - contract labor	7,393.53	6,688.40	9,377.28	1,032.08	3,001.81	209.60	4,204.57	6,255.86	4,716.71	5,925.52	1,407.28	4,546.86	52,047.50
5050 COGS - shipping	7,902.37	7,689.75	8,375.54	3,515.07	5,648.06	9,610.35	11,813.97	8,330.59	10,248.54	8,817.13	5,404.63		96,941.31
5060 COGS - shipping supplies	187.90	201.00	300.55			252.80	148.90	245.99	365.94	470.37	80.50		2,253.95
5070 COGS - product for resale	6,585.77	10,388.54	13,075.20	10,168.37	1,061.47	6,120.79	36,412.61	4,000.47	525.86	11,988.43	3,131.35		103,446.86
5300 COGS - wages	22,917.98	21,956.80	23,554.92	4,473.92	11,959.46	17,669.72	25,125.70	29,421.10	35,493.08	36,722.95	37,140.00	41,611.98	308,047.61
5390 COGS - small tools, dies	916.77	1,064.91		77.02		711.61		69.67			1,234.45		4,074.43
Total Cost of Goods Sold	\$ 66,570.38	\$ 66,443.60	\$ 59,855.61	\$ 27,694.65	\$ 31,688.26	\$ 43,709.73	\$ 87,964.70	\$ 76,198.92	\$ 76,274.68	\$ 80,576.14	\$ 73,292.32	\$ 63,716.69	\$ 751,929.68
Gross Profit	\$ 61,614.54	\$ 52,524.79	\$ 10,458.05	\$ 13,565.86	\$ 16,215.31	\$ 83,651.33	\$ 68,122.21	\$ 50,800.94	\$ 25,744.46	\$ 45,666.64	\$ 22,346.37	\$ 4,849.43	\$ 428,235.21
Expenses													
6040 Bank service charges					580.08			-943.96		-3.50	595.00	-90.00	-445.44
6050 Bookkeeping	557.71	388.35			355.99	118.66		459.55	302.59			136.46	1,061.00
6070 Charitable contributions							1,000.00				51.00		1,051.00
6100 Credit card fees	1,778.47		1,033.45	255.91	516.12	1,327.66	1,235.28	1,424.58	1,581.49	1,541.27	1,217.00	1,640.62	15,261.17
6140 Insurance - general liability		2,524.00			2,549.00		2,524.00				2,678.00		10,275.00
6155 Insurance - Mike	3,102.03	3,102.03	3,102.03	3,011.72	3,102.03	3,011.72	3,102.03	3,245.83	3,245.83	3,245.83	3,245.83	3,245.83	37,853.05
6170 Insurance - work comp	555.04	535.75	721.30	153.96	302.02	576.09	640.12	683.15	812.78	746.40	122.57	770.92	6,822.10
6200 Office supplies	1,776.05	1,487.03	397.57	313.55	834.92	1,030.30	2,279.04	2,921.33	1,424.56	1,279.02	570.10	536.09	14,849.56
6210 Other taxes							665.00		14.85				669.85
6220 Legal and professional		3,339.20	128.10	1,180.15			1,320.00	10,085.50				42,500.00	58,552.95
6225 Payroll processing fee	608.34	335.44	336.92	198.20	281.85	289.00	417.39	352.83	365.78	535.52	511.64	469.32	4,702.23
6237 Management fees	7,535.00												7,535.00
6240 Marketing expenses	10,136.60	3,800.00	3,025.00	5,022.60	3,050.00	6,806.55	12,643.42	10,315.71	8,094.12	7,477.21	7,014.96	6,758.23	84,144.40
6250 Meals and entertainment	438.09	578.29	400.42	92.18	80.00	389.77	511.27	585.43	819.25	778.06	1,106.37	208.26	5,987.39
6290 R&D		251.08											251.08
6300 Rent - building	5,965.00	5,750.00	5,750.00	5,750.00	5,750.00	5,750.00	5,750.00	5,750.00	5,750.00	5,750.00	5,831.00	5,904.50	69,450.50
6310 Repairs and maintenance	1,455.82	749.28	97.09		1,153.18	511.98	239.66	4,626.46	1,009.71	1,454.86	408.41		11,706.45
6330 Software expenses	440.03	514.68	452.49	376.65	875.90	395.87	465.75	381.67	406.60	410.76	517.50	540.29	5,776.39
6340 Telephone	189.84	299.41	191.59	191.59	191.47	191.51	191.51	184.16	184.17	184.17	184.20	2,367.82	2,367.82
6345 Trade show expenses		450.00											450.00
6350 Travel		430.47						290.83		204.86			495.79
6380 Utilities				758.56	225.97	294.04	255.37	255.45	392.00	259.82	258.19	267.64	3,397.51
6520 Payroll tax expense	2,320.52	1,853.42	2,162.17	189.74	202.63	273.77	1,416.80	2,407.77	3,025.06	3,103.89	3,122.46	3,405.93	23,484.16
Total Expenses	\$ 36,838.54	\$ 27,647.75	\$ 19,246.13	\$ 19,684.99	\$ 20,051.16	\$ 20,956.92	\$ 34,646.84	\$ 43,026.49	\$ 27,429.79	\$ 25,968.27	\$ 27,570.69	\$ 64,457.63	\$ 369,546.00
Net Operating Income	\$ 24,776.00	\$ 24,877.04	\$ 7,793.08	\$ 33,260.85	\$ 3,835.85	\$ 62,692.41	\$ 33,465.37	\$ 7,074.45	\$ 1,684.33	\$ 19,698.37	\$ 5,224.32	\$ 61,609.20	\$ 86,887.21
Other Income													
7020 SBA EIDL Grant													9,000.00
Total Other Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.68	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,000.68
Other Expenses	\$ 577.74	\$ 4,908.82	\$ 547.77		\$ 789.57	\$ 1,775.09	\$ 1,617.22	\$ 1,957.31	\$ 2,984.71	\$ 3,489.87	\$ 1,631.99	\$ 881.87	\$ 21,259.76
8120 Executive travel													3,700.00
8140 Fraud charges													345,515.76
8160 Interest expense	28,707.00	27,211.24	28,707.13	28,853.38	29,075.14	28,610.81	29,007.57	29,059.62	28,300.50	29,581.56	28,821.51	29,580.10	345,515.76
Total Other Expenses	\$ 28,707.00	\$ 32,119.86	\$ 29,254.90	\$ 28,853.38	\$ 29,864.71	\$ 30,383.90	\$ 30,624.79	\$ 31,017.13	\$ 31,285.21	\$ 30,571.43	\$ 30,453.50	\$ 34,261.97	\$ 370,475.52
Net Other Income	\$ 25,264.74	\$ 32,119.86	\$ 29,254.90	\$ 19,853.38	\$ 29,864.71	\$ 30,383.90	\$ 30,624.79	\$ 31,016.45	\$ 31,285.21	\$ 33,071.43	\$ 30,453.50	\$ 34,261.97	\$ 361,474.84
Net Income	\$ 4,528.74	\$ 7,242.82	\$ 37,047.98	\$ 53,104.23	\$ 33,700.66	\$ 32,308.51	\$ 2,860.78	\$ 23,442.00	\$ 32,969.54	\$ 14,373.06	\$ 35,677.82	\$ 95,870.17	\$ 302,787.83
EBITDA Calculation													
EBT:	-4,528.74	-7,242.82	-37,047.98	-53,104.23	-33,700.66	32,308.51	2,860.78	-23,442.00	-32,969.54	-14,373.06	-35,677.82	-95,870.17	-302,787.63
Plus: Interest	28,707.00	27,211.24	28,707.13	28,853.38	29,075.14	28,610.81	29,007.57	29,059.62	28,300.50	29,581.56	28,821.51	29,580.10	345,515.76
Plus: Depreciation													
Plus: Amortization													
Total EBITDA:	24,178.26	19,968.42	-8,340.85	-24,250.85	-4,625.42	60,919.32	31,868.35	5,617.82	-4,669.04	15,208.50	-6,856.31	-46,290.07	42,728.13
	19%	17%	-12%	-17%	-10%	48%	20%	4%	-5%	12%	-7%	-9%	4%

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW MEXICO**

In re:

U.S. GLOVE, INC.,
a New Mexico corporation

Case No.
Chapter 11 Proceedings

Debtor.

DEBTOR'S STATEMENT OF OPERATIONS

U.S. Glove, Inc. (the “**Debtor**”), as a Subchapter V Chapter 11 debtor-in-possession, submits the following Statement of Operations pursuant to 11 U.S.C. §§ 1187(a) and 1116(1) of the United States Bankruptcy Code.

The Debtor is a New Mexico corporation with its principal place of business located at 6801 Washington St NE, Albuquerque, New Mexico. The Debtor, which was founded in 1988, is currently co-owned by Mike Jacobs (43%), Evan Gobdel (16%), Greg Bregstone (16%), Randolph Chalker (14%), and Gay Gustafson (11%).

The Debtor manufactures hand and wrist support products for both gymnastics and cheerleading, as well as a variety of other ancillary products, including wristbands, chalk, athletic tape, and grip brushes designed to enhance athletic performance. All products are manufactured in the United States. The Debtor relies on several vendors to continue its operations and delivers its products to athletes all over the world.

The Debtor currently employs 12 employees and 6 independent contractors. The Debtor has debt totaling approximately \$3.8 million. Although the Debtor has historically enjoyed net operating profits, it has seen a drastic decline in revenues and profits, which has been compounded

by the impacts of the COVID-19 pandemic on the gymnastics and cheerleading industries. The Debtor has requested and received relief from the U.S. Small Business Administration through the Paycheck Protection Program (\$100,000)¹ and the Economic Injury Disaster Loan program (\$150,000) to stay afloat during the pandemic and survive through the current economic conditions.

As of the filing of this Chapter 11 case, the Debtor continues to manufacture and sell its product but needs the protections afforded under the Bankruptcy Code to ensure its long-term existence and continued operations; otherwise the Debtor would be quickly forced to close its doors as payment of ongoing expenses would not be possible. The Debtor is confident that it can go through a successful reorganization under Subchapter V of Chapter 11 of the Bankruptcy Code and propose a feasible plan that allows the Debtor to restructure its debts, keep its business operating, and maximize value to the estate.

¹ Debtor has received two rounds of PPP disbursements. \$41,525 of the original \$50,000 PPP loan has been forgiven. The Debtor received a second \$50,000 PPP loan on February 1, 2021.

Form **1120-S****U.S. Income Tax Return for an S Corporation**

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.
▶ Go to www.irs.gov/Form1120S for instructions and the latest information.

2019

For calendar year 2019 or tax year beginning 2019, ending

A S election effective date 1/01/1989	TYPE OR PRINT	U.S. GLOVE, INC. 6801 WASHINGTON ST NE ALBUQUERQUE, NM 87109	D Employer identification number 85-0371498
B Business activity code number (see instructions) 316990			E Date incorporated 12/07/1988
C Check if Schedule M 3 attached <input type="checkbox"/>			

G Is the corporation electing to be an S corporation beginning with this tax year? Yes ☐ No ☒ If "Yes," attach Form 2553

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change
(4) ☐ Amended return (5) ☐ S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year**J** Check if corporation: (1) ☐ Aggregated activities for section 465 at-risk purposes (2) ☐ Grouped activities for**Caution:** Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information

INCOME	1 a Gross receipts or sales	1 a
	b Returns and allowances	1 b
	c Balance. Subtract line 1b from line 1a	
	2 Cost of goods sold (attach Form 1125-A)	
	3 Gross profit. Subtract line 2 from line 1c	
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	
DEDUCTIONS SEE INSTRUCTIONS	5 Other income (loss) (see instrs — att statement)	
	6 Total income (loss). Add lines 3 through 5	
	7 Compensation of officers (see instructions - attach Form 1125-E)	
	8 Salaries and wages (less employment credits)	
	9 Repairs and maintenance	
	10 Bad debts	
	11 Rents	
	12 Taxes and licenses	SEE STATEMENT 1
	13 Interest (see instructions)	
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	
	15 Depletion (Do not deduct oil and gas depletion.)	
	16 Advertising	
	17 Pension, profit-sharing, etc., plans	
	18 Employee benefit programs	
	19 Other deductions (attach statement)	SEE STATEMENT 2
20 Total deductions. Add lines 7 through 19		
21 Ordinary business income (loss). Subtract line 20 from line 6		
TAX AND PAYMENTS	22 a Excess net passive income or LIFO recapture tax (see instructions)	22 a
	b Tax from Schedule D (Form 1120-S)	22 b
	c Add lines 22a and 22b (see instructions for additional taxes)	
	23 a 2019 estimated tax payments and 2018 overpayment credited to 2019	23 a
	b Tax deposited with Form 7004	23 b
	c Credit for federal tax paid on fuels (attach Form 4136)	23 c
	d Reserved for future use	23 d
	e Add lines 23a through 23d	
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached	<input type="checkbox"/>
	25 Amount owed. If line 23e is smaller than the total of lines 22c and 24, enter amount owed	
26 Overpayment. If line 23e is larger than the total of lines 22c and 24, enter amount overpaid		
27 Enter amount from line 26: Credited to 2020 estimated tax		
Refunded		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, this return is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

PRESIDENT

Title

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check self-employment

SHIRLEY VAUGHN

SHIRLEY VAUGHN

Firm's name ▶ VAUGHNCPA, LLC

Firm's EIN ▶

Firm's address ▶ 6605 UPTOWN BLVD NE STE 370

ALBUQUERQUE, NM 87110

Phone no. ▶

BAA For Paperwork Reduction Act Notice, see separate instructions.

SPSA0112 12/30/19

Schedule B Other Information (see instructions)

					Yes	No
1 Check accounting method: a <input type="checkbox"/> Cash b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____						
2 See the instructions and enter the: a Business activity <u>MANUFACTURING</u> b Product or service... <u>LEATHER GOODS</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation						X
4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below.						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum % Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of restricted stock						
(ii) Total shares of non-restricted stock						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?						X
If "Yes," complete lines (i) and (ii) below.						
(i) Total shares of stock outstanding at the end of the tax year						
(ii) Total shares of stock outstanding if all instruments were executed						
6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount						
If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years. See instructions						
9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions						X
10 Does the corporation satisfy one or more of the following? See instructions						X
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.						
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$25 million and the corporation has business interest expense.						
c The corporation is a tax shelter and the corporation has business interest expense. If "Yes," complete and attach Form 8990.						
11 Does the corporation satisfy both of the following conditions?						X
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.						
b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1.						

Schedule B Other Information (see instructions) (continued)		Yes	No
12	During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction ▶ \$		X
13	During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.		X
14a	Did the corporation make any payments in 2019 that would require it to file Form(s) 1099?	X	
	b If "Yes," did the corporation file or will it file required Form(s) 1099?	X	
15	Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund? If "Yes," enter the amount from Form 8996, line 14 ▶ \$		X

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss) 3a		
	b Expenses from other rental activities (attach statement) 3b		
	c Other net rental income (loss). Subtract line 3b from line 3a. 3c		
	4 Interest income 4		
	5 Dividends: a Ordinary dividends 5a		
	b Qualified dividends 5b		
	6 Royalties 6		
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120-S)) 7		
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120-S)) 8a		
	b Collectibles (28%) gain (loss) 8b		
	c Unrecaptured section 1250 gain (attach statement) 8c		
	9 Net section 1231 gain (loss) (attach Form 4797) 9		
Credits	10 Other income (loss) (see instructions) Type ▶ 10		
	11 Section 179 deduction (attach Form 4562) 11		
	12a Charitable contributions 12a		
	b Investment interest expense 12b		
Foreign Transactions	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ 12c (2)		
	d Other deductions (see instructions) Type ▶ 12d		
	13a Low-income housing credit (section 42(j)(5)) 13a		
	b Low-income housing credit (other) 13b		
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) 13c		
	d Other rental real estate credits (see instrs) Type ▶ 13d		
	e Other rental credits (see instrs) Type ▶ 13e		
	f Biofuel producer credit (attach Form 6478) 13f		
	g Other credits (see instructions) Type ▶ 13g		
	14a Name of country or U.S. possession 14a		
Foreign Transactions	b Gross income from all sources 14b		
	c Gross income sourced at shareholder level 14c		
	Foreign gross income sourced at corporate level		
	d Reserved for future use 14d		
	e Foreign branch category 14e		
	f Passive category 14f		
	g General category 14g		
	h Other (attach statement) 14h		
	Deductions allocated and apportioned at shareholder level		
	i Interest expense 14i		
	j Other 14j		
	Deductions allocated and apportioned at corporate level to foreign source income		
	k Reserved for future use 14k		
	l Foreign branch category 14l		
	m Passive category 14m		
	n General category 14n		
	o Other (attach statement) 14o		
Other information			
p Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued 14p			
q Reduction in taxes available for credit (attach statement) 14q			
r Other foreign tax information (attach statement)			

Schedule K Shareholders' Pro Rata Share Items (continued)

Total amount

Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties — gross income	15d	
	e Oil, gas, and geothermal properties — deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	
	d Distributions (attach stmt if required) (see instrs)	16d	
	e Repayment of loans from shareholders	16e	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income (loss) reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14p.	18	

Schedule L Balance Sheets per Books

Beginning of tax year

End of tax year

Assets		(a)	(b)	(c)	(d)
1	Cash				
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts				
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach stmt)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets				
b	Less accumulated depreciation				
11a	Depletable assets				
b	Less accumulated depletion				
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization				
14	Other assets (attach stmt) SEE ST 3				
15	Total assets				
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach stmt) SEE ST 4				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock				
23	Additional paid-in capital				
24	Retained earnings				
25	Adjustments to shareholders' equity (att stmt) ST 5				
26	Less cost of treasury stock				
27	Total liabilities and shareholders' equity				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books.....		5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a	Tax-exempt interest \$	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14p (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14p, not charged against book income this year (itemize):	
a	Depreciation..... \$		a	Depreciation... \$	
b	Travel and entertainment \$			SEE STMT 6	
4	Add lines 1 through 3.....		7	Add lines 5 and 6.....	
			8	Income (loss) (Schedule K, line 18). Subtract line	

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account
(see instructions)

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1	Balance at beginning of tax year.....			
2	Ordinary income from page 1, line 21.....			
3	Other additions.....			
4	Loss from page 1, line 21.....			
5	Other reductions..... SEE STATEMENT 7.....			
6	Combine lines 1 through 5.....			
7	Distributions.....			
8	Balance at end of tax year. Subtract line 7 from line 6...			

SPSA0134 10/03/19

Form 1120-S (2019)